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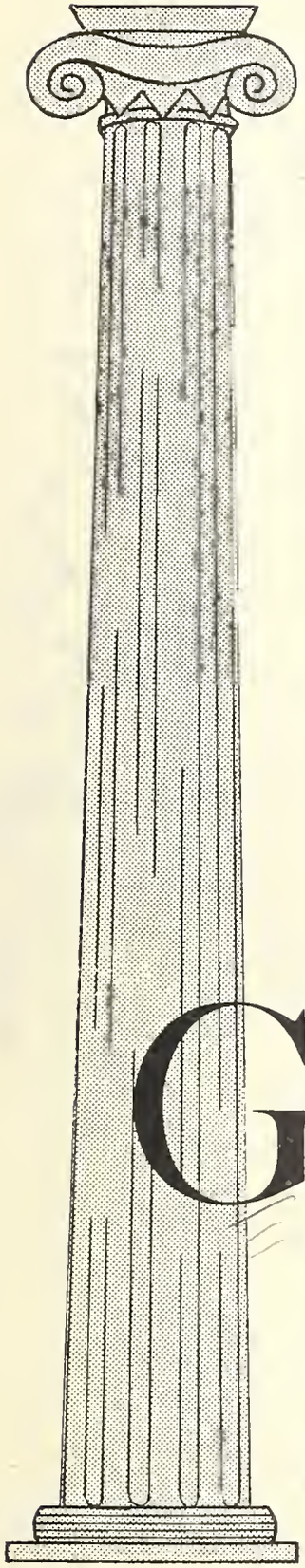

The Market for U.S. Feed Grains, Oilmeal, and Vegetable Oils in GREECE

Foreign Agricultural Service
United States Department of Agriculture

FAS-M 133

April 1962

BULGARIA
YUGOSLAVIA
ALBANIA
TURKEY
Salonika
Lárisa
Lamía
Levádhia
Argos
Patrai
Xilókastron
Corinth
Megara
Athens
Piraeus
Pírgos
Trípolis
Kalámai
AEGEAN SEA
IONIAN SEA
CRETE
GREECE
KEY:
Important vegetable oil processing centers
Number of mixed-feed plants
Major ports

FOREWORD

Greece, the cradle of western democracy, has recently become an Associate member of the world's most rapidly growing economic community, the European Common Market. Such an association is expected to be particularly advantageous to Greece, which enjoys a favorable position in marketing agricultural produce, particularly tobacco and early fruits. As its foreign exchange position improves and its economy reflects increased purchasing power, its consumer demand for livestock products is expected to increase. The United States is the principal supplier of feedstuffs for the Greek livestock economy, particularly feed grains and soybean meal. The future U. S. share of the developing Greek market will be determined by U. S. willingness and ability to adjust to changing competitive conditions. It is the primary intent of this report to provide the U. S. trade and industry with information upon which it can make intelligent decisions as to degree of participation in the expanding Greek market.

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ACKNOWLEDGMENT

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THE MARKET FOR U.S. FEED GRAINS, OILMEAL, AND VEGETABLE OILS IN GREECE

SUMMARY

The outlook is for further increases in U. S. exports of feed grains and soybean meal to Greece. In fiscal 1962[1/] Greece is scheduled to receive 125,000 metric tons of U. S. feed grains under Title I of Public Law 480[2/]. About 10,000 tons additional will be purchased for dollars. By 1965, Greek import requirements for feed grains will be about 150,000 tons, dependent in part on domestic production. U. S. participation in this market will be determined by the amount of competitive grains available from associated Common Market countries. U. S. exports of soybean meal to Greece will probably be over 3,000 tons during 1962 and reach 10,000 tons by 1965, all purchased with free dollars.

Sharply rising imports caused by expansion in the Greek economy have brought a worsening of the trade balance. However, the exceptionally good olive and cotton crops that were harvested, plus above-average citrus fruit output and export availability, have considerably improved the outlook for 1962. Greece's agricultural exports — cotton, tobacco, citrus, and fresh and dried fruits — are expected to enjoy certain competitive advantages in the Common Market area, including early marketings. It is anticipated that Greek per capita income, estimated for 1960 at about $322 per year and lower than in any Common Market or other Western European country, will show a substantial relative improvement by 1965.

Soybean meal enjoys a well-sustained, expanding market for use in poultry feeds. Greek imports of soybean meal should increase to over 15,000 tons by 1965. The United States may be expected to supply about 10,000 tons of this amount in direct shipments. The remainder will probably be supplied by Israel, Italy, or other adjacent processors of U. S. soybeans. Many of these countries appear more suited to supply on a continuing, timely basis the small lots of soybean meal for which Greek importers have been contracting.

Feed-grain consumption in Greece has been increasing steadily but slowly. Total consumption was 633,000 metric tons in 1960 and 712,000 in 1961, and the forecast for 1962 is 733,000. Domestic production has not been sufficient to meet this increasing demand; therefore the government has been obliged to meet the deficit through imports of corn, barley, and relatively small quantities of grain sorghums. Feed grain imports in 1960 were 82,000 metric tons; in 1961 they were 172,000, and plans for 1962 are for the importation of 135,000. Increased production in 1961 reduced the 1962 import requirements.

Increases in animal-product output will also continue at a slow but steady rate. Poultry production, which has shown a phenomenal increase in the last 5 years, is expected by some important producers to level off about 1963. Feed-grain production will not increase at a rate fast enough to meet livestock feeding requirements, and for at least the next 5 years, Greece's feed-grain imports will range from 100,000 to 150,000 tons.

In view of the exceptionally good olive and cottonseed crops and the high carryover of seed-oil stocks, it is unlikely that Greece will be an importer of seed oils in 1962. While olive oil availabilities will be near record levels, traditionally low exports — probably in the range of 10,000 to 15,000 tons — are forecast for 1962. With the continuing increase in domestic cotton and olive production, imports of seed oils are likely to be needed only on an "emergency" basis, when the country is confronted with a combination of circumstances sharply reducing domestic availabilities. Such conditions cannot be foreseen through 1962, although 1963 should again be a small olive crop year.

1/ Year ending June 30. Trade data are all for fiscal years; crop data, for crop years.
2/ The Agricultural Trade Development and Assistance Act of 1954.

THE GREEK LIVESTOCK INDUSTRY

Greece's livestock economy is well diversified, with poultry the most important commercial category. About 15 million of the total of 16 million birds are broilers or laying chickens; there are 1 million turkeys.[3/] Commercial poultry production accounts for about 15 percent of the total.

Other classes of livestock are mainly in noncommercial rural areas. They are largely kept for family or farm use and for the production of livestock products for local use. Largely because of poor marketing facilities, per capita consumption of eggs, red meat, and milk is lower in Greece than in any country of the European Common Market.[4/]

Greek farms are typically small, with split holdings. Farmers live in villages or as seminomads in the mountainous and forest areas. Modern livestock husbandry practices are not in common use. Mixed feeds are little used for other than commercial poultry production. Farmers feed other livestock locally grown grains and limited amounts of oilseed cake.

The Greek Ministry of Agriculture has announced a program to improve the livestock economy. The objectives include increased production of forage crops, financial aid for building barns and shelters, increased imports of breeding stock and financial aid for purchase, artificial insemination, better control of farm breeding animals, increased veterinary services, and reduction of costs per unit by reducing the numbers and improving the quality of farm livestock, especially goats and sheep. A growing extension service staff with well-qualified personnel coordinates its work with that of the several breeding and experiment stations of the Ministry of Agriculture.

TABLE 1.—Livestock: Numbers on December 31, 1958-61

Kind of animal	1958[1/]	1959[2/]	1960[3/]	1961[4/]
	Head	Head	Head	Head
Horses	330,843	330,000	329,000	325,000
Mules	219,333	221,000	223,000	225,000
Donkeys	516,043	517,000	517,000	515,000
Cattle:				
Domestic	809,009	808,000	808,000	800,000
Domestic improved	160,606	175,000	185,000	205,000
Foreign improved	58,083	65,000	67,000	70,000
Total	1,027,698	1,048,000	1,060,000	1,075,000
Buffaloes	75,321	75,300	75,300	75,000
Sheep	9,255,395	9,333,870	9,350,000	9,400,000
Goats	5,010,349	5,066,122	5,030,000	5,000,000
Hogs	630,742	635,000	640,000	650,000
Poultry	14,617,800	15,000,000	15,300,000	16,000,000
Rabbits	411,325	420,000	430,000	430,000

1/ Final revisions.
2/ Estimates subject to revisions.
3/ Preliminary, subject to revision.
4/ Office of the U.S. Agricultural Attaché, Athens.

3/ Turkeys are maintained in flocks and permitted to scavenge for food.
4/ Greece is now an associate member of the Common Market.

The announced objective is to encourage a larger supply and consumption by raising egg production from 90 to 200 per poultry unit,[5] double the consumption of poultry meat, and improve the standard of living by increasing consumption of livestock products throughout the country. At the same time, steps are being taken to facilitate marketing by establishing stadard grades and qualities.

The following tabulation shows recent trends in the annual per capita consumption of poultry meat and eggs, as reported by official Greek sources:

	Poultry meat	Eggs
	Pounds	Number
1938	4.0	76
1952	2.9	62
1953	3.1	65
1954	3.4	72
1955	4.0	95
1956	4.3	98
1957	4.3	103
1958	4.6	106
1959	4.6	108
1960	4.8	108

The Poultry Industry

Commercial poultry growers are located mainly in the vicinity of urban centers such as Athens and Salonika, which afford them their main markets. In 1960, there were approximately 1,880 commercial producers of eggs and poultry meat, distributed as follows:

	Number
Mégara	940
Athens	350
Salonika	135
Árgos and Corinth	190
Pátrai, Pirgos, Kalámai, and Tripolis	100
Lárisa	25
Lamía	20
Levádhia	15
Crete	5
Other	100
Total	1,880

These commercial poultrymen are the major users of mixed feeds, accounting for 95 percent of the quantity.

The poultry industry has expanded rapidly, with most of the increase in poultry numbers taking place in commercial production. Poultry meat production has been encouraged by rising prices, but egg production has received less encouragement, since the increase in egg prices has been smaller. In recent years, prices received by poultrymen have been as follows:

[5] Commercial flocks average 190 eggs per unit.

	Poultry meat	Eggs
	Cents per lb.	Cents per doz.
1952	26.4	30.5
1953	26.5	30.5
1954	28.2	33.2
1955	32.2	37.0
1956	32.6	38.0
1957	33.7	36.0
1958	33.9	36.5
1959	34.3	36.5
1960	34.7	36.5

The ceiling prices established for eggs weighing over 45 grams have intensified competition, and some egg producers have changed to broiler production, for which profit margins have been more satisfactory. Poultry meat production in 1961 was 18,500 metric tons, compared with about 16,400 in 1957. Production is not sufficient to meet the growing demand, and imports are necessary. Imported broiler meat from the United States is priced on an eviscerated basis; domestic broiler meat is sold on a slaughter-weight basis. Imports of eviscerated frozen poultry from the United States account for 50 to 60 percent of all poultry meat imported. It appears that commercial poultry production will not continue to increase as rapidly as in the past and may stabilize in the next 2 or 3 years. The outlook is for continued imports of high-quality frozen poultry.

TABLE 2.—Poultry meat and eggs: Retail prices on Athens-Piraeus market, by months, 1960

Month	Poultry meat		Eggs			
			Domestic			Imported from Israel
			Day-old		Older than 1 day	
	Domestic	Imported[1/]	Grade A[2/]	Grade B[3/]		
	Cents per lb.	Cents per lb.	Cents per lb.	Cents per doz.	Cents per doz.	Cents per doz.
January	44.7	49.5	72	64	48	52
February	44.7	50.0	72	64	38	44
March	44.7	50.0	72	64	40	---
April	44.7	48.2	72	64	34	---
May	36.3	48.2	72	64	30	---
June	39.4	48.2	72	64	30	---
July	39.4	48.2	72	64	36	---
August	40.9	48.2	72	64	38	---
September	42.4	48.2	72	64	44	---
October	41.2	48.2	72	64	46	---
November	39.4	48.2	72	64	46	---
December	40.1	48.2	72	64	46	---

1/ Eviscerated frozen poultry imported from the United States.
2/ Ceiling prices fixed by market police for eggs weighing over 53 grams.
3/ Ceiling prices for eggs weighing 45-53 grams.
Athens, Market Police Bulletin.

Livestock and Meat Production

Most dairy and beef cattle are for family supply. The average size of the herd is 6 to 8 head, but typically farmers have 1 or 2 animals, and there are only a few herds as large as 25 to 30.

Usually, cattle are grazed on unimproved communal pastures of low carrying capacity. Dairy farmers, however, usually barn-feed their cattle, using local forage crops and grain crops but little oilseed cake and meal or mixed feeds. Local feed grains are supplemented by imported feed grains.

In 1960, weighted average prices received by farmers were as follows (in cwt., carcass basis): Beef, $29.88; veal, $38.57; mutton, $26.14; lamb, $38.12; goat, $25.92; kids, $35.37; and pork, $28.37.

Most meat, milk, butter, and animal fats are for family use or local sale. Commercial meat production, however, has increased at an average rate of 3,400 metric tons per year during the last 5 years. Most of the increase was in beef. The order of traditional preference for meat is lamb, veal, beef, and pork.

Consumer demand for meat has grown more rapidly than production. Per capita consumption in 1960 was 48 pounds, compared with 41 in 1957. The range of retail meat prices in the Athens-Piraeus market in 1960 was as follows:

	High	Low
	Cents per lb.	Cents per lb.
Beef	35.2	31.2
Veal	44.4	34.7
Veal (under 6 months)	46.4	45.6
Mutton	43.0	32.9
Lamb	53.8	39.1
Pork	31.7	30.4
Pork (under 6 months)	43.5	38.2
Beef, frozen (boneless)	35.9	33.8
Mutton, frozen	32.3	27.2

In 1960, meat consumption was about 182,000 metric tons, of which about 47,200 was imported. These imports included 24,825 tons of frozen meat and meat preparations; the balance was imported as live animals for slaughter.

FEED GRAINS

Feed-grain consumption is increasing both in direct feeding and in mixed feeds. Consumption was 633,000 metric tons in 1960 and 712,000 in 1961 and is expected to be about 733,000 in 1962. This increase will continue as poultry feeding expands and as more livestock are fed mixed feeds under the influence of government programs.

Greek feed-grain production averaged 658,000 tons in the 5-year period 1956-60; in 1961, it was an estimated 680,000 tons. Production in the future, however, will not increase as rapidly as consumption, and imports are expected to reach an average level of 150,000 tons, and possibly more, in the next few years. Imports in the main have been of corn (75 percent) and barley (24 percent). The United States has been the major supplier.

TABLE 3.—Feed grains: Supply and distribution, year beginning July 1, 1959 and 1960

Item	1959			1960		
	Barley	Corn	Oats	Barley	Corn	Oats
	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons
SUPPLY						
Carryover, July 1. . . .	8	25	6	11	14	---
Production	217	280	139	235	288	149
Imports	31	51	---	56	112	---
Total	256	356	145	302	414	149
DISTRIBUTION						
Seed.	25	30	18	28	32	20
Waste.	9	11	6	9	12	6
Consumption	211	301	121	245	344	123
Exports	---	---	---	---	---	---
Carryover, June 30 . .	11	14	---	20	26	---
Total	256	356	145	302	414	149

Office of the U.S. Agricultural Attaché, Athens, Greece.

TABLE 4.—Feed grains: Imports by country of origin, fiscal years 1958-61[1/]

Grain and country of origin	1958	1959	1960	1961
	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons
Barley:				
United States	20.2	10.0	26.9	51.7
France	---	---	4.9	---
Others	5.6	---	---	---
Total	25.8	10.0	31.8	51.7
Corn:				
United States	81.6	87.9	45.9	105.6
Others	---	.3	5.1	6.1
Total	81.6	88.2	51.0	111.7
Sorghums:				
United States	---	---	2.1	4.4
Others	---	---	.3	---
Total	---	---	2.4	4.4

1/ Year ending June 30.
Office of the U.S. Agricultural Attaché, Athens, Greece.

TABLE 5.—Feed grains: Average annual wholesale prices of domestic grains, 1959, 1960, and January-August, 1961

Grain	1959	1960	1961 1/
	Dollars per metric ton	Dollars per metric ton	Dollars per metric ton
Barley	80.00	88.66	79.33
Oats	78.00	95.33	85.66
Corn:			
Large	85.00	78.33	82.33
Medium	93.66	84.66	88.66
Small	90.76	87.00	94.00

1/ January-August.

In 1961, about 30,000 tons of corn and barley was used in mixed feeds. Of this, 20,000 tons was imported. By 1965, it is expected, feed grain used in mixed feeds will total about 60,000 tons, of which 40,000 will be imported grain.

Prices of feed grains in Greece are responsive to domestic production and to the amount imported by the Agricultural Bank. The Bank has made a practice of selling imported feed grains (corn and barley) to farmers and mixed-feed plants for 2.15 drachmas per kilogram ($71.67 per metric ton). This price has been in effect during the period in which Greece has imported feed grains from the United States; thus it is evident that the timing and quantity of these imports has had a stabilizing effect on the wholesale price.

OILCAKE AND MEAL

Greek production of oilcake and meal is not sufficient to supply requirements. Imports, particularly of soybean meal and cottonseed, meet the deficit. Oilcake production in 1961 is estimated at about 138,000 metric tons, including 129,000 of undecorticated cottonseed cake, 6/ 5,800 of linseed, and 3,000 of miscellaneous, primarily sunflowerseed and sesameseed. This includes about 15,000 tons of cake from cottonseed imported from Sudan and Nigeria. The estimated 1961 production is approximately 10 percent above the 123,000 tons produced in 1960 and 3 percent below the 145,000 produced in 1959. The 1962 cotton crop is expected to be at a record level with the availability of byproduct cake adequate to meet anticipated domestic requirements for ruminant feeding.

Consumption has increased from about 142,400 tons in 1959 to an estimated 149,000 in 1961. Although domestic production of cottonseed cake is expected to meet needs in the next few years, other protein meals will need to be imported.

Imports of protein meal in 1961 are estimated to have been about 10,000 metric tons, 7/ sharply higher than the 7,500 tons in 1960 and more than 50 percent above the 1959 level of 6,500 tons. Protein meal imports in 1961 included 4,750 tons of fishmeal, 2,200 of meatmeal, and 3,000 of soybean meal. The United States supplied about 1,500 tons of soybean meal. Israel supplied most of the remainder. Imports of other oilseeds and of byproduct oilcake — mainly sunflower and sesame — are nominal in the total.

6/ Equivalent to only about 75,000 metric tons of decorticated cottonseed cake, with 41 to 44 percent protein.

7/ Through October 1961, fishmeal imports fell slightly behind the previous year's level while meatmeal and soybean meal advanced sharply.

TABLE 6.—Oilcake and meal: Supply and distribution, marketing years 1958-60[1/]

Item	1958	1959	1960[2/]
SUPPLY	Metric tons	Metric tons	Metric tons
Opening stocks November 1[3/]	9,000	18,000	4,000
Production:			
Cottonseed cake[4/]	136,345	114,504	129,228
Linseed cake[5/]	6,554	4,679	5,800
Other cakes and meals[6/]	2,000	3,360	3,000
Total	144,899	122,543	138,028
Imports[7/]	6,484	7,500	10,000
Total supply	160,383	148,043	152,028
DISTRIBUTION			
Exports	---	---	---
Domestic disappearance	142,383	144,685	144,028
Ending stocks October 31[3/]	18,000	4,000	3,000
Total distribution	160,383	148,043	152,028

1/ Year beginning November 1.
2/ Preliminary estimates and forecasts subject to revision.
3/ Trade and industry indications and estimates.
4/ Includes cottonseed cake produced from imported cottonseed.
5/ Largely from imported linseed.
6/ Mainly sunflowerseed and sesameseed cake.
7/ Includes meat, fish, and soybean meals.

Greece, Ministry of Agriculture, Hellenic Cotton Board, National Statistical Service; trade sources; estimates by the Office of the U.S. Agricultural Attaché, Athens.

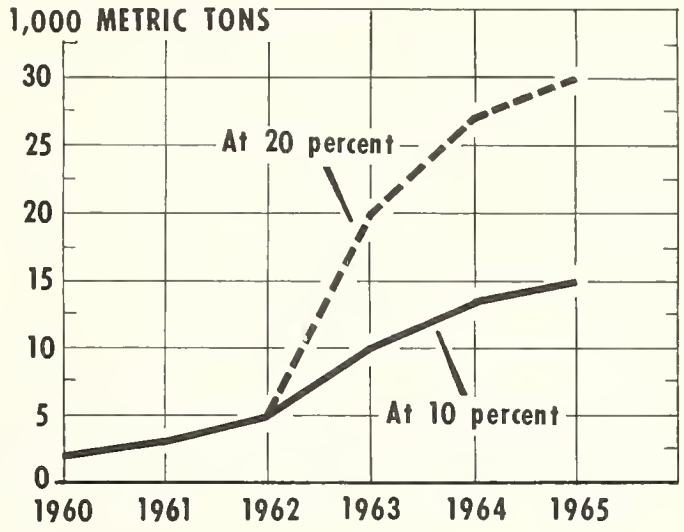
Commercially marketed cottonseed cake for use in mixed feeds must by law have the following content:

	Percent
Protein, minimum	23.0
Fat, minimum	5.0
Fiber, maximum	26.0
Moisture, maximum	10.0
Ash, maximum	7.5
Acidity (sulfuric acid)	.75
Residues	.10

The Greek Government requirement of 5-percent oil content in cottonseed cake precludes decortication. The result is that the cake averages only about 24 percent protein. Some plants have unused decorticating equipment.[8/]

8/ One plant decorticates cottonseed for use in its broiler operation.

It is expected that there will be increased use of soybean meal in poultry rations as feeding practices are further improved. 9/ Import requirements for soybean meal are expected to reach a minimum of 15,000 tons by 1965, if soybean meal in poultry feed is increased to an average of 10 percent of the dry weight of the mixed feed. If the soybean meal content reaches the 20-percent level that is not uncommon in the United States and other countries, imports could double, as the following graph shows:



Selected 1961 prices paid by feed mixers for various cakes and meals were as follows:

	Protein content	Price
	Percent	Dollars per metric ton
Cottonseed	24	70.00
Soybean	44	120.00
Fish	65	150.00
Meat	55	145.00
Bone	35	73.00

In September, bagged soybean meal (44-percent protein) was quoted at $102.00 per metric ton c.i.f. Piraeus; in mid-October, quotations were made at $85.00. For cottonseed cake, between November 1960 and November 1961 the wholesale price at Athens showed the following ranges during the first week of each month:

	Low	High
	Dollars per metric ton	Dollars per metric ton
1960:		
November	59.52	66.14
December	74.96	79.37
1961:		
January	68.34	74.96
February	68.34	(1/)
March	68.34	70.55

9/ The consumption of soybean meal in poultry rations has been limited by the reluctance of some feeders to include this meal because it has been only sporadically available.

	Low	High
1961: (Continued)	Dollars per metric ton	Dollars per metric ton
April	68.34	72.75
May	68.34	(1/)
June	67.24	68.34
July	67.24	70.55
August	74.96	(1/)
September	68.34	70.55
October	63.93	(1/)
November	63.93	66.14

1/ Not available.

THE MIXED-FEED INDUSTRY

The mixed-feed industry of Greece includes 19 operational plants, concentrated to some degree in the Athens-Mégara area, the center of the country's commercial poultry industry. Of the 19, 7 are cooperative plants which generally sell mixed feeds only to members of the cooperative and prepare only formula-type feeds. The 12 private plants sell to any customer, including cooperative members; 11 sell on a formula basis and 1 on a custom basis.10/

TABLE 7.—Mixed feed: Location and output of plants

Location and type of plant	Output	Location and type of plant	Output
	Metric tons per day		Metric tons per day
Cooperatives:		Private plants—Con.	
Mégara	30	Athens—Con.	
Do	15	G. Moulas and	
Do	8	D. Arapis	15
Athens	13	Fyrel	5
Xilókastron	10	Zorias	2
Corinth	6	Piraeus:	
Hiliomodi	3	Kaklis	5
		Fas	5
Total	85	Salonika: G. Kordoyannis	
		Bros.	10
Private plants:			
Mégara:		Total	165
Viom	33		
Koujdai	2	Grand total	250
Athens:			
Synthetiki	33	Estimated annual output	
Vitamin	20	based on 300 operational days per year	75,000
Voktas	20		
Zootrofiki	15		

10/ Formula feeds are prepared on the basis of established standards set by the manufacturers. Custom feeds are prepared to meet the specifications provided by the buyer.

The total output of mixed feeds in 1960 was 50,000 metric tons, of which 75 percent was by private plants. Total output is estimated to have increased to about 75,000 tons in 1961, and is expected to increase further by 25,000 tons per year, reaching about 150,000 in 1965.

The increase can be handled by existing plants through more efficient operation and mechanization (bagging, weighing, etc.). However, new mixed-feed plants will be built during the next few years. For example, the Association of Poultry Cooperatives in Salonika is now breaking ground for a new mixed-feed plant near Salonika with an initial output of 10 metric tons per day. Most new plants will be built in areas of increasing poultry production outside of the major centers of production such as Athens and Salonika. It is on larger poultry production that the projected increase in mixed-feed output is primarily based. If success attends the Ministry of Agriculture's policy of introducing better breeds of livestock and the educational program on the value of balanced rations and better feeding practices, total mixed-feed production in Greece could exceed these projections.

About 95 percent of all mixed feed is used in the poultry industry. Commonly used ingredients of poultry feeds include domestic or imported corn and barley, domestic oats, soybean meal, and fish and meat meals. Up to 4 percent of undecorticated cottonseed meal has been used in some chick and layer rations, and one mixed-feed plant uses up to 5 percent of decorticated cottonseed meal and over 20 percent soybean meal for its own highly successful broiler operation.

In the Mégara area, which is the most important, common poultry feed mixes are as shown below:

	Chick feed[1/]	Broiler feed	Layer feed
	Percent of gross weight	Percent of gross weight	Percent of gross weight
Corn	32.0	58.0	29.0
Sorghum	10.0	0	10.0
Oats	6.0	0	4.0
Barley	4.0	4.0	4.0
Bran	15.0	8.0	14.0
Cottonseed meal	4.0	0	4.0
Soybean meal	9.0	9.0	9.0
Fish meal	6.0	7.0	7.0
Meat meal	6.0	6.0	6.0
Carob meal	2.0	2.0	4.0
Alfalfa meal	3.0	3.0	4.0
Marble dust	1.5	1.5	3.5
Bone meal	1.0	1.0	1.0
Salt	.5	.5	.5
Total[2/]	100.0	100.0	100.0

1/ For chicks up to 75 days old.
2/ Including vitamins A, D, E, B, and B_2 and antibiotics and trace elements.

Mixed feeds in other areas may contain linseed, sunflower, sesame, coconut, corn, or tomato seed cake or meal, dried milk, oyster and blood meal, clover, rice bran, and rice flour. On a national basis, the percent of soybean meal in mixed poultry feeds more closely approximates 3 to 4 percent than 9 percent.

Raw Materials

Cottonseed is the most important oilseed grown in Greece. Small amounts of sesame, peanuts, sunflowerseed, and linseed are also produced.

The production of cottonseed is highest in the Macedonian area near Salonika and the Central Greece area nearly as far south as Athens. Most of the increase expected will occur in the Salonika area. The Cokers and 10E varieties of cotton are most common, with the former variety contributing about 80 percent of the total seed processed for oil. Cotton is grown on both irrigated and nonirrigated land, although most expansion has been on irrigated acreage. Further increases in cottonseed production may result from acreage subsidies and an expanding market for fiber exports to Western Europe. 11/

Total edible seed-oil production in the marketing year 1961 (ended in October) is estimated at about 15,300 metric tons, including 14,500 tons of cottonseed oil and 770 tons of other edible oils, almost entirely sunflowerseed and sesame. About 2,000 tons of industrial linseed oil was produced, including about 1,900 tons in oil equivalent of seeds imported. In 1962, cottonseed-oil production is expected to increase to over 17,000 tons. Any increase in the crushing of other oilseeds is expected to be small.

The unusually sharp decline in output of olives and olive oil last year necessitated Greece's first significant imports of edible seed oils. About 22,000 metric tons were imported, including about 21,400 tons of U.S. soybean oil. In previous years, imports have been insignificant, averaging less than 1,000 tons annually.

With the expected record olive and cotton crops, seed oil stocks at near-record levels, adequate storage facilities, and no plans to expand exports of olive oil, it appears that Greece will need no imports of olive oil and only small imports of seed oils in the current marketing year.

Seed-Processing Capacity

Cottonseed-processing facilities are located throughout the cotton-growing regions, but the refiners and larger processors are mainly in the Salonika and Athens areas. Most imported cottonseed has been crushed in the Athens area. The crushing capacity of the industry is probably well in excess of 300,000 tons and may approximate 400,000 tons. About 145,000 tons was crushed in 1961, of which 30,000 tons was imported, and the industry operated at or near capacity for the short October-February season. With the record cotton crop expected in 1962, 385,000 bales, which is providing a drier seed of slightly higher oil content, mills in the main growing area around Salonika expect to operate through the spring of 1962 on domestic seed.

In the Salonika area, locally ginned seed is delivered in sacks to the 5 largest seed mills or is produced in their own gins. The 1961 seed was dried from a moisture content of 16-17 percent to a standard 8 percent. No seed is decorticated, though equipment is available. Customarily, 2 cuts of linters are taken, one at the gin and the second at the oil mill. German MIAG (Braunschweig) screw presses in one row of 4 to 6 units are standard equipment. The seed contains up to 17-18 percent oil and the presses remove 12-13 per-

11/ Any further increase in cotton production also depends largely on farmer willingness to plant cotton at the expense of wheat, a crop firmly established by tradition in many areas.

TABLE 8.—Edible fats and oils: Supply and distribution, marketing years 1958-61[1/]

Item	1958	1959	1960[2/]	1961[3/]
SUPPLY				
Opening stocks November 1:	Metric tons	Metric tons	Metric tons	Metric tons
Olive oil	80,000	40,000	56,000	22,000
Seed oils	10,000	7,000	2,000	9,000
Total	90,000	47,000	58,000	31,000
Production:				
Olive oil	89,492	159,656	75,141	200,000
Cottonseed oil	4/ 16,852	4/ 14,152	4/ 14,527	5/ 17,184
Other seed oils[6/]	530	970	770	800
Animal fats and butter[7/]	12,701	13,015	13,500	14,000
Total	119,575	187,773	103,938	231,984
Imports:				
Olive oil	---	---	8/ 17,000	None
Seed oils	468	9/ 556	10/ 22,000	200
Animal fats and butter	194	9/ 200	250	250
Total	662	756	39,250	750
Total supply	210,237	235,529	201,188	263,434
DISTRIBUTION				
Exports (olive oil)	1,176	11,596	500	10,000
Domestic disappearance:				
Olive oil	128,316	132,040	125,641	132,000
Seed oils	20,850	20,678	30,297	25,184
Animal fats and butter	12,895	13,215	13,750	14,250
Total	162,061	165,933	169,688	171,434
Ending stocks October 31:				
Olive oil	40,000	56,000	22,000	80,000
Seed oils	7,000	2,000	9,000	2,000
Total	47,000	58,000	31,000	82,000
Total distribution	210,237	235,529	201,188	263,434

1/ Year beginning November 1.
2/ Revised estimates subject to further revision.
3/ Forecasts.
4/ Includes oil produced from imported cottonseed.
5/ All to be produced from the anticipated large 1961 cottonseed crop.
6/ Includes production of sunflowerseed and sesameseed oil.
7/ Includes production of lard and butter, estimated at 10,000-12,000 tons of butter, the remainder lard.
8/ Actual arrivals are slightly higher; however, final figures are not yet available.
9/ Most recent official estimates.
10/ Of which about 21,419 metric tons have been imported under P. L. 480, Title I, and the remainder with free dollars.

Greece, Ministries of Agriculture and Commerce, National Statistical Service, Hellenic Cotton Board; estimates by the Office of the U. S. Agricultural Attaché, Athens.

cent, the rest remaining in the cake[12/]. The cake, after mechanical cracking, is bagged and sold locally with a protein content of 23 to 24 percent.

At least two plants in the Salonika area are equipped with solvent units and process tobacco, tomato, sunflower, and olive pulp. Total capacity of the operational solvent units in Salonika probably does not exceed 50 tons daily. Only oils destined for inedible consumption are processed, with benzine the most common solvent. These units are of local manufacture, outdated and high-cost. These factors, coupled with the nominal prices received for the residue, make it difficult for solvent plants to operate above the break-even point.

Cottonseed processed in the Athens area is generally not dried. This is due to the fact that most of the seed processed is imported and of lower moisture content than domestic seed[13/]. The seed processors in the Athens area cannot share the optimism prevalent in the Salonika area regarding future availabilities of raw materials for processing. Athens area processors are out of position for domestic seed as compared with those in the Salonika area. Processors in Athens are therefore likely to process a decreasing portion of the country's cottonseed. Imports of cottonseed may be sharply reduced as Greek cotton production expands, further reducing the raw-material supply available to the oilseed processor in the Athens area.

Vegetable-Oil Processing and Marketing

In Salonika, all vegetable oil is refined by the batch method, and no degumming takes place. Neutralizing vessels, generally of Greek manufacture, vary between 2.5 and 4.0 tons capacity. Caustic soda is the alkali reagent. Annual capacity of equipment in the Salonika area is estimated at 12,000 to 15,000 tons.

Bleaching is generally under vacuum, while post bleaching is conducted either under vacuum or in open tanks. Winterizing equipment is available and is used to a limited extent.

Three plants have operational hydrogenation equipment with an estimated daily combined capacity of 25 to 30 tons, based on three batches. Nickel catalyst in flake form is used. All hardening in the Salonika area is for cooking fats, very much like standard U. S. shortening. In one plant the nickel flake catalyst fails to provide uniform activation, causing the firm considerable concern.

Hydrogen is electrolytically produced by small units of 24 to 36 cells, permitting a total daily capacity of up to 100 cubic meters of hydrogen per hour.

Generally, deodorizers are of domestic manufacture. Deodorizing is by the batch system, with 2 or 3 batches daily. The maximum absolute pressure of mercury ranges between 30 and 40 millimeters. Daily operational capacity of the deodorizers in the Salonika area is estimated at 40 tons per day, or about 12,000 tons annually.

The cottonseed processed in the Athens area is generally drier than that processed in Salonika, with a moisture content of around 10 to 12 percent. The Coker variety represents about 80 percent of the total processed. Imported cottonseed from Africa may contain less than 10 percent moisture. Other oil-bearing materials processed in the Athens area include tobaccoseed, palm kernels, corn germ, and soybeans imported in earlier years under a relief program.

[12/] Greek law establishes a minimum 5-percent fat content for the cake, thus precluding decortication or solvent extraction of cottonseed. No cottonseed cake may be exported.

[13/] Three solvent units are operational in the Athens area and two specializing in olive pulp are believed operational on Crete.

As in Salonika, MIAG (Germany) screw presses are commonly used, as well as Rose-Downs (U.K.), Mueller (German), and Olier (French). The three solvent extraction units in the Athens area include Olier batch types, reportedly of Greek manufacture. Benzine of a 60°-70° C. boiling point is the solvent. A loss of 1 to 1.5 percent (2.5 to 3.0 gallons per ton) is reported when the solvent is recovered by vacuum.

Neutralization is by the batch system. Caustic soda is the reagent. The hydrogenation units, primarily electrolytic, contain a somewhat higher cell number than in Salonika, e.g., over 44 cells. A nickel flake catalyst (German origin) is common. Oil is hardened to a 44° C. melting point in batches averaging 2 turns daily. A deodorizer of Greek origin operating on a 3-batch system in 24 hours was observed. The maximum temperature was 180° C. with 40 millimeters absolute pressure. A vacuum pump with a single stage ejector was attached.

While the production of cotton is being expanded in Greece, the availability of domestic cottonseed for processing in the Athens area is substantially below requirements. In recent years cottonseed in excess of 25,000 tons annually has been imported principally from the Sudan for processing in Athens. The primary need for these seeds is to meet the protein requirements for oilcake for cattle feeding. Of secondary importance is the 3,000 tons of edible cottonseed oil available for winterizing as a salad oil or for blending, unwinterized, in cooking fats in the form of shortening. As domestic cottonseed availabilities in the Salonika area increase, the Government of Greece is expected to be more reluctant to import cottonseed, and the shortage of raw materials for vegetable oil in the Athens area will become more pronounced.

It is this continuing decrease of oil-bearing materials for processing in the Athens area that has focused attention on the importation of U.S. soybeans. On the basis of current factors, the following conclusions appear realistic: (1) Solvent equipment available contains sufficient excess capacity to process soybeans; (2) operating costs for processing soybeans are substantially above those in the United States and above local costs for processing cottonseed; (3) since the selling price for locally produced soybean oil depends on that of cottonseed oil, and the selling price for soybean meal is influenced by the price per protein unit of other competitive meals, soybeans cannot be purchased at their current price of nearly $100.00 per ton, bagged c.i.f. factory (Greece), without a loss to the processor. Further, any increase in soybean-meal production in Greece would result in a corresponding decrease in the importation of soybean meal for dollars[14]. It is unlikely that the Government of Greece would intervene to protect locally produced meal (from imported soybeans) from the competition of tariff-free imported soybean meal, since planned expansion of poultry meat and egg production would be affected.

Blenders obtain locally produced cottonseed oil, which has been hardened to about 44° C., from hardening plants. In 1961, the blenders purchased from government channels fully refined liquid U.S. soybean oil in standard drums of 55 U.S. gallons. Blenders also purchase sheep's butter, which closely resembles animal ghee — a pure fat product. With these fat stocks, various grades of cooking fats are produced, including the following:[15]

Prime Quality hardened olive oil, sometimes blended with up to 5 percent animal ghee (demoisturized butter).

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[14] Previous Greek imports of soybeans were under a relief program, with little or no expense for the raw material. Commercial importation of soybeans would require the removal of the import tariff and might require a change in the minimum fat content of locally produced meals fed to livestock.

[15] These designations are arbitrary, as blends may vary by processor.

Top Quality, containing no less than 5 percent sheep's ghee, and fully refined, deodorized cottonseed oil.

Second Quality, containing only fully refined, deodorized cottonseed oils.

Third Quality, containing cottonseed oil, hardened to a melting point of 44° C. and mixed with fully refined, deodorized liquid U. S. soybean oil.

Fat stocks are melted and mixed in a large vessel of about 1 ton capacity. The liquid fat mixtures are put into retail-size containers and placed on the floor at room temperature. These fats then reharden to a consistency of about 36° to 40° C., depending on the season, and are then sold commercially. Larger companies are known to fortify these cooking fats with vitamin A, carotene, and vitamin D.

Blenders are the chief users of fully refined, deodorized U. S. soybean oil. The cooking fats they produce are commonly used for frying in restaurants, hotels, and other institutions, but also are sold to households by retail outlets. Their favorable price, nonspattering qualities, and uniformity under varying room temperatures have all contributed to their wider use.

Tin containers of varying sizes, including 1/2, 1, 2-1/2, 3, 4-1/2, 8, and 17 kilograms, are commonly used; brand names and text are generally lithographed on the exterior.[16/] Plants generally produce at least two grades of cooking fats for the retail trade, including a very granular product for distribution to the confectionery and baking industry. In addition, processing plants in the Salonika area sell large quantities of hardened stocks in barrels or drums to local blenders.

Nonfood Fats and Oils

Greek requirements for nonfood fats and oils are estimated at 23,600 tons annually, including 21,600 tons for commercial uses. The demand for nonfood fats and oils may decline somewhat, reflecting the increased utilization of synthetic detergents, the probable decline in the future availability of sulfur oil due to the expansion of double hydraulic pressing of olive oil cake, and the economic incentive presented by the further refining of sulfur oil for edible uses.[17/] There will, however, be some increase in the foots available from further refining of higher acidity olive oil and sulfur oil. Import requirements for tallow and linseed oil may be expected to increase, reflecting a continued demand for these oils in specialized uses.

FINANCIAL AND TRADE POLICY

Greece has a democratic form of government within the framework of a constitutional monarchy. The King appoints the Prime Minister and his Cabinet from among the members of Parliament, subject to a Parliamentary vote of confidence. The Parliament is elected by the people. The King has no veto power over any legislative or executive action. He signs all decrees, but they become legal only if countersigned by the responsible Minister. The judiciary is independent of the legislative and executive branches of the government.

[16/] Besides Greek, English and French texts are also used. In some cases these containers are packed in wooden cases or carton boxes, e.g., by 60 containers of 1/2 kilogram (400 grams net weight) per wooden box, 30 per carton; 30 containers of 1 kilogram (800 grams net weight) per wooden box, 16 per carton, etc.

[17/] The term "sulfur oil" as used in this report includes all olive oil extracted from olive cake. However, sulfur (carbon disulfide) is rapidly being replaced by more efficient solvents.

TABLE 9.—Fats and oils: Estimated nonfood uses, 1960-61

Type of product	Gross output	Fat requirements	Source of fats
	Metric tons	Metric tons	
Detergents	1/ 7,500	(2/)	Fatty acids.
Soap:			
Noncommercial production	3/ 4,000	2,000	Clive oil, crude.
Commercial production	----------	4/ 3,900	Clive oil foots.
	----------	5/ 8,200	Sulfur oil.
	----------	5/ 1,300	Sulfur oil foots.
	----------	6/ 2,600	Cottonseed oil foots.
	----------	1,000	Tallow and other.
Total commercial	7/24,500	17,000	
Total soap and detergents.	36,000	19,000	
Paints, varnishes	(8/)	9/ 2,600	Linseed, tobacco-seed.
Leather goods, fatty acids, etc.	(8/)	10/ 2,000	Tallow, etc.
Total commercial uses	---	21,600	
Total nonfood uses	---	23,600	

1/ Calculated from total commercial soap production, assuming that 2.5 tons of soap equals 1 ton of synthetic detergents.

2/ Negligible; see note 10/.

3/ Produced by olive growers for "on farm" consumption; estimated to average about 50 percent fat stock.

4/ Representing refining loss of 13 percent on approximately 30,000 metric tons of olive oil of average 6-percent acidity.

5/ Based on assumption that half (or 8,200 tons) of the consumption of sulfur oil (16,400 metric tons total in 1960-61) went for food uses (less refining foots of 16 percent, or 1,300 tons) and half for soap fats.

6/ Represents refining loss of 16 percent on 16,000 tons of raw cottonseed oil.

7/ Estimated to average about 69 percent of fat stock.

8/ Not available.

9/ Reflects total consumption of linseed and tobaccoseed oils.

10/ Primarily, imported U.S. tallow, some of which supplies fatty acids for detergents, leather processing, etc.

The Greek Government is highly centralized. The 52 provinces (nomoi) are governed by Nomarchs, appointed by the Minister of the Interior. The northern provinces are under the supervision of a Governor General with Cabinet status. At the municipal and communal levels, the mayors and presidents of communities are elected by popular vote. The amended Greek Constitution specifies that "the administrative organization is based on decentralization."

Recent Financial Trends

Sharply rising imports caused by expansion in the Greek economy have caused a worsening of the trade balance. About 40 percent of Greek imports were covered by export earnings in the fiscal year ended June 1961. This deficit was partly offset by continued growth in net invisibles and capital earnings.

The 2-year rising trend in the gold and convertible assets of the Bank of Greece was not continued last fiscal year. Present figures show that between January and June of 1961 a $2-million decline took place, against an increase of $13 million during the comparable 1960 period.

In spite of the recent deterioration in Greece's exchange position the outlook is a mixed one. Reserve levels are still above those of 1959 and earlier years, and Greece's association with the Common Market should improve its trading advantages in this region. Tourism is growing. Domestic industries are producing more of the goods previously imported.

The basic unit of currency in Greece is the drachma, divided into 100 lepta. The official rate of exchange is 30 drachmas per U. S. dollar.

Foreign Capital Investment

Under Legislative Decree No. 2687 of October 31, 1953, approved foreign investments in Greece that are expected to promote national production or otherwise contribute to the economic advancement of the country may be granted preferential treatment. Such investments may not be repatriated earlier than 1 year from the date of importation or from the time the enterprise began to operate productively. When any enterprise organized with foreign capital is granted terms more favorable than those accorded to a similar enterprise previously established (with foreign capital), equally favorable terms will be extended to the previously established enterprise, at the request of the beneficiary. Special guarantees are provided in case of requisition.

Approved foreign capital may be repatriated at an annual rate not exceeding 10 percent.[18/] Dividends on equity capital not exceeding 12 percent a year and payments of interest on loan capital not exceeding 10 percent a year may be transferred. However, annual earnings below these limits may be supplemented by earnings in excess of such limits from other years.

18/ Deviations from the provisions of Law 2687 governing repatriation of investment capital and remittance of dividends on equity capital or interest on loan capital may be permitted in the following cases:

(a) Investments intended to develop exports for agricultural and mining products, on condition that 1) repayment of the investment capital shall be effected in the form of exports of products to be produced through the use of such capital, and 2) that such products be produced in Greece in quantities exceeding local requirements.
(b) Investments in enterprises which by special resolution of the Council of Ministers shall be deemed as being of special importance to the Greek economy.
(c) Specified foreign short-term investments may also be granted preferential treatment in respect of the repatriation of capital and the transfer of interest.

Transfers of capital abroad by residents require approval. Tax incentives under law No. 4171 of 1961 as well as under law No. 2687 of 1953 are provided for new industries and commercial venture.

Trade Controls

Tariff Duties. —On April 27, 1960, a new Greek customs tariff schedule, based on the Brussels nomenclature, became effective and is applicable to all areas except the Dodecanese Islands.

The new schedule is divided into two columns — one general and one conventional — and includes over 4,000 items, 64 percent of which are ad valorem and the remainder specific duties. The conventional rates are applicable to countries enjoying most-favored-nation treatment and comprise mostly concessions granted under the General Agreement on Tariffs and Trade (GATT).

The metric system is used as the standard measure for levying import duties. In assessing specific duties, the dutiable weight is either the gross weight or the net weight of the goods in kilograms; the net weight is the gross weight less tare allowances. On certian commodities, including packaged foods, no tare is deducted for inner containers.

In assessing ad valorem duties, the dutiable value of the goods is the c.i.f. value, i.e., the commercial invoice price plus insurance and freight charges. However, customs authorities may refuse to accept import invoices on grounds of inaccuracy or failure to represent the "normal" price of the goods and may establish a value for the assessment of duty.

Import duties are paid by the Greek importer in paper drachmas at the official rate of exchange in effect when the goods are cleared through customs. Specific duties are stated in the tariff schedules in metallic drachmas, a monetary unit of convenience which must be multiplied by a coefficient of 12 to obtain the amount of the duty in paper drachmas.

Special Taxes and Other Requirements. —Turnover, export promotion, special import, and consumption taxes are levied on imported materials. The turnover tax on imports ranges from 1.875 to 7.5 percent, but foodstuffs are exempt. The export promotion tax, 1.5 percent of the c.i.f. value, is levied on all imports except those exempted from import duty or imported without allocation of foreign exchange, e.g., gifts sent to recipients in Greece. Imports under Title I of P.L. 480 are exempted from this tax because they are exempted from import duty and not because they require no foreign exchange allocations.

The special import tax, 0.5 percent, is levied on the c.i.f. invoice value of all goods subject to import duties. Parties enjoying duty-free privileges are also exempted from payment of this tax.

Revenue from the export promotion tax used exclusively to promote Greek exports. Revenue from the special import tax is used to extend financial assistance to institutions of higher learnings in Athens and Salonika and to promote exports.

Shipments to Greece require a certificate of origin, a commercial invoice, and an ocean bill of lading or airway bill. Shipping documents do not require consular certification.

Licensing and Exchange Controls. — Food and feed imports into Greece are in general not subject to import license controls or prior special approval, but may be imported subject only to the automatic administrative approval by the Bank of Greece.

Feed-grain imports are subject to approval of the Ministry of Commerce, which does not regularly grant such licenses but does so for specific purposes, where local production cannot meet requirements. Such is the case of barley imported by the brewery industry.

TABLE 10. —Tariff duties applicable beginning April 27, 1960

Commodity	Rate of duty	Dollar equivalent
	Paper drachmas per 100 kg.	Cents per lb.
Oleaginous seeds:		
Palm kernels	120	1.8
Castor beans	600	9.1
Soybeans	300	4.6
Mustardseed	144	2.2
Poppyseed	36	.5
	Percent ad valorem	
Pumpkin	35	---
	Paper drachmas per 100 kg.	Cents per lb.
Manna seeds	540	8.2
Copra	1,080	16.3
Cottonseed, general 1/	7.56	.1
Cottonseed, conventional	216	3.26
Other oilseeds and oleaginous fruit	1,080	16.3
	Percent ad valorem	
Oilcakes, olive kernels, and other remnants or residue remaining after the extraction of vegetable oil, excluding drugs and sediments.	5	---
Vegetable product n.e.c. for animal feed.	5	---
	Paper drachmas per 100 kg.	Cents per lb.
Fixed oils, etc:		
Sesame	2,280	34.5
Coconut	1,980	29.9
Palm	1,980	29.9
Cottonseed	2,280	34.5
Peanut	2,280	34.5
Linseed	564	8.5
Laurel	480	7.2
Almond	480	7.2
Soybean	2,280	34.5
Castor	360	5.4
Other, n.e.c.:		
Edible	2,280	34.5
Nonedible	840	12.7
Tallow	480	7.2
Feed grains:		Dollar per ton
Barley and oats	---	20.00
Sorghum	---	24.00
Corn:		
White	---	24.00
Other	---	10.40

1/ Importation of cottonseed must be by joint approval of Ministers of Finance, Agriculture, and Commerce.

Athens Despatch No. 1035, June 23, 1961.

Each foreign exchange transaction, however, is subject to administrative and procedural controls designed to provide the government with a current record of foreign exchange income expenditures and commitments. Because of a steady decline in gold and hard-currency assets, the Government of Greece in August 1958 enacted a series of credit control and tax measures to curb imports of items deemed nonessential and of a luxury nature. Importation of goods into Greece is generally free of direct quantitative and qualitative restrictions, but the importation of certain commodities is subject to restriction through governmental approval. Commerical imports of wheat and wheat flour are subject to the approval of the Ministry of Commerce. Importation of cottonseed is authorized, in limited quantities, from time to time under special joint licenses by the Ministries of Finance, Commerce, and Agriculture.

Import Procedures. — The automatic approval of applications for foreign exchange under the preceding paragraphs is known as procedure E and is applicable to private imports from the United States and Canada, countries of the European Monetary Agreement (EMA), and countries with which Greece has concluded bilateral clearing agreements. 19/ An importer must apply direct to an authorized commercial bank for an import approval (i.e., allocation of foreign exchange) to be obtained prior to shipment. The issuance of such approvals is a routine operation. With his application, the importer must file a pro forma invoice and a declaration in writing concerning the amount of any sales commission involved. If payment is to be made by sight draft, a cash deposit is generally required before an approval is issued. Import licenses, wherever required by regulations, must also accompany the application.

Methods of Payments. — Payments for imports may be effected (1) by letter of credit, (2) by cash against documents at destination (sight draft), and (3) on a deferred basis (time draft). The method of payment is specified in the import approval. However, the luxury-type goods subject to licensing by the Ministry of Commerce (list A) must be purchased by a letter of credit, while for other items on list A the advance deposit requirements range from zero to 140 percent of the c.i.f. value. Letters of credit may be drawn against by foreign suppliers on the basis of forwarders' receipt provided that the bank handling the letter of credit is satisfied that shipment of the goods will be made within 10 days from the date the letter of credit has been used. If payment is made by letter of credit, the local agent's commission must be deposited in drachmas with the local bank handling the shipping documents to be paid to the agent upon execution of the letter of credit.

For payments against sight drafts at destination, three commodity lists have been set up: Lists F, F-50, and F-100 (see Appendix, "Greek Import Categories").

Commodities eligible for importation against time draft are exempt from any cash deposit requirement. These are included in two lists: List P-3, providing for 90-day foreign supplier credit, and list P-6, providing for 180-day foreign supplier credit against acceptance. (For list P-3, see Appendix.) There is also a 15-month credit for imports of machinery where the value of the shipment exceeds $5,000.

A plus or minus margin of 5 percent in unit value is permissible in all import approvals except those covering petroleum products, sugar, wool, hides and skins, and pepper.

All other imports are governed by procedure D, under which approval of applications by the Bank of Greece is required before importation and payment are authorized. Procedure D applies to (1) Goods imported under procurement authorization of the Agency for International Development (AID); (2) goods imported by government agencies and organizations

19/ Bulgaria, Chile, Czechoslovakia, East Germany, Egypt, Finland, the USSR, Yugoslavia, Japan, Spain, Israel, Hungary, Uruguay, Poland, and Rumania.

and public utility companies; (3) shipments originating in countries other than those eligible under procedure E or goods to be shipped or paid for in a manner other than that provided under procedure E; and (4) cases involving important deviations from the terms of the approval granted under procedure E and the purchase of goods abandoned in customs by the original consignees.

On sight draft and/or time draft shipments payable in AID funds, importers are required to deposit with a commercial bank, within 10 days from date of issue of the relevant import approval, a cash or bank guaranty equivalent to 10 percent of the c. i. f. invoice value of the merchandise involved. This is required as assurance that the importer will actually import and pay for the goods in accordance with the terms and conditions stipulated in the import approval and in the covering procurement authorization.

Except as otherwise indicated, import approvals for shipments payable against sight or time draft (all F and P lists) are valid for 6 months from date of issue. Special import approval validity periods are applicable to the following commodities: (1) Smoked herring, lumber, and iron and steel — 8 months; (2) machinery parts, accessories, and machinery in general — 12 months; (3) in-transit shipments — 45 days; and (4) list A commodities — time limits for opening letters of credit or making cash deposits, 20 days for importers in capital area and 30 days for importers in other areas, except for government agency orders, for which 40 days are allowed.

MARKET DEVELOPMENT OUTLOOK AND CONCLUSIONS

General promotional activities are likely to have only limited immediate effectiveness in achieving the expansion of the Greek market for U.S. feed grains and soybean meal. Tradition firmly establishes consumption patterns at the consumer level and the Government of Greece in its control of trade policy strongly favors protectionism. Thus, the processing industries must adjust their production to reflect the combination of these factors.

For the immediate future, it would probably be preferable to continue and perhaps expand the projects being carried on by the American Farm School in Salonika, with coordinated visits from time to time by U. S. Feed Grain Council and Soybean Council personnel from Rome.

Any other promotional program in Greece should be aimed at the improvement of the standard of living through an attempt to gain a wider acceptance of the nutritional value of livestock products in the average diet. Sustained advertising in various media might prove productive, although more oblique techniques for consumer promotion may need to be developed in cooperation with the local industry and trade. Emphasis on increasing per capita consumption of red and white meat, milk, and eggs may offer the greatest immediate potential for the expansion of U. S. feed grain and soybean meal exports to Greece.

It should, however, be noted that many of the stated objectives of Greek agricultural and commercial policies may be subject to modifications as these policies are developed and implemented. Persuasive efforts, if soundly conceived and directed, might well enchance the opportunities for exports of U. S. feed grains and soybean meal.

There is little need for technical assistance to the mixed-feed industry, since it employs highly trained personnel. A long-term program of training for agricultural extension agents, cooperatives, and individual farmers on the benefits of protein supplementation, in terms of input costs versus prices received for products marketed, may encourage some shift in the carbohydrate-protein ratio of feeds. However, in view of the generally inadequate levels of grain feeding, a too rapid effort to shift this ratio may not provide an adequate demonstration.

There appears to be little basis on which a mutually acceptable market-promotion program for vegetable oils could be developed in Greece at this time. Any such program, if designed to increase the consumption of all vegetable oils, might tend to adversely affect a broader recommendation that as much high-price olive oil as possible should be exported to help stabilize the foreign exchange position. A program restricted to the expansion of seed-oil consumption would not receive the needed cooperation of the Government of Greece and would be strongly opposed by the olive oil groups (politically and economically among the country's strongest). The government might, however, be persuaded to embark upon a more consistent policy in support of olive oil exports together with some uniformity in annual imports of seed oil or soybeans. This would probably be slow in developing. Because of the continued expansion in cotton acreage, and the resultant record oil products output in 1962, together with the increased replacement of edible and inedible oils used in soap manufacture by highly acceptable synthetic detergents, the future demand for seed oils in Greece can be adequately met from the current trend in domestic production and utilization. During certain particularly bad olive crop years, a recurrent cyclical phenomenon, emergency shipments of seed oils will probably be needed.

APPENDIX

Selected Greek Producers, Refiners, and Blenders of Vegetable Oils in Major Centers of the Industry

Location	Name	Activity	Estimated capacity
			Metric tons per day
Athens	B. E. S. O. Oil, Soap, Wine & Spirits Industrial Co., Ltd.	Producers, refiners, and exporters of sulfur oil and olive oil.	120
	Charilaos & Kanellopoulos.	Producers of sulfur oil and seed oil (linseed and cottonseed oil).	30
	A. Dritsas ---------	Producers and refiners of seed oil.	30
	Huileries de Grece--	Producers, refiners, and exporters of sulfur oil and olive oil.	115
	Milka Margarine Factory (A. & C. Camilieris).	Manufacturers of margarine and cooking fats.	3
	G. Paspatis & Son --	Producers and refiners of seed oil (mostly corn).	9
	E. Stavraetos & Co.-	Producers of cottonseed oil.	15

Greek Producers, Refiners, and Blenders of Vegetable Oils (Continued)

Location	Name	Activity	Estimated capacity
			Metric tons per day
Piraeus	N. Anastassiadis ---	Producers and refiners of sulfur oil, seed oil, and olive oil. Also importers of seeds; sales agents for vegetable oils.	30
	Belpa, Ltd. --------	Producers of seed oil.	10
	Elaiourghia Phalerou (Theodoropoulos-Economopoulos-Kontaratos).	Producers and refiners of seed oils.	12-1/2
	Elais Co., Inc. -----	Producers and refiners of seed oil and olive oil. Manufacturers of hydrogenated oils, margarine, and cooking fats.	30
	Elma S.A. Hellenique d'Huiles — Margarine.	Producers and refiners of seed oils. Manufacturers of margarine.	55
	Koukoulas Sons -----	Producers and refiners of seed oils.	30
	Manos Oil Milling Co.	Producers and refiners of sulfur oil, seed oil, and olive oil.	60
	Oliba S.A. ---------	Producers and refiners of seed oil.	25
	F. Skandalis & Co.--	Producers of seed oil.	20
	Stamou Brothers----	Producers and refiners of seed oil.	15
Salonika	Apostolides & Kosmides.	Blenders of hydrogenated oils.	(1/)
	Constantinos Bishiniotis.	Blenders of hydrogenated oils.	(1/)
	George Dalagdis ----	Blenders of hydrogenated oils made of seed and fish oils.	(1/)

Greek Producers, Refiners, and Blenders of Vegetable Oils (Continued)

Location	Name	Activity	Estimated capacity
			Metric tons per day
Salonika (Continued)	Elaiourghia-Vamvakourghia Thessalonikis (Eliades & Ofloudis).	Producers, refiners, and exporters of seed oils.	80
	Elaiourghia Voriou Ellados (Emm. Voyatzis).	Producers, refiners, and exporters of seed oils.	35
	Hatzivalassis & Co.--	Producers, refiners, and exporters of seed oils.	80
	Eleftherios Kosmides.	Blenders of hydrogenated oils.	(1/)
	Elias Kosmides-----	Blenders of hydrogenated oils.	(1/)
	V. Skandalis & Co.---	Producers, refiners, and exporters of seed oils.	30

1/ Not available. Imported U.S. soybean oil is often used in blending.

U.S. Trade Associations

Soybean Council of America, Inc.	Via Parigi II, Rome, Italy
U.S. Feed Grains Council, European Office	Via XXX Settembre 5, Rome, Italy

Greek Import Categories

List B — Commodities for which an import license is required from the Ministry of Industry: Flour mills equipped with millstones; poultry brooders; olive oil mill equipment, viz., presses, washing presses, pumps, crushers, etc.

List F — Commodities exempt from cash deposit requirement on application for an import approval involving payment against sight draft: Cereals; pulse and starchy substances.

List F-50 — All commodities which are not included in any other import list and for which a cash deposit of 50 percent of c.i.f. invoice value plus a deposit of 20 percent of the c.i.f. value against import duties and taxes is required at the time of application for import approval.

List F-100 — Commodities subject to a cash deposit of 100 percent of the c.i.f. invoice value on application for an import approval involving payment against sight draft, plus a deposit of 40 percent of the c.i.f. invoice value as an advance against import duties and other taxes: Edible fats and butter; pulses (except rice and potatoes); biscuits; alimentary pastes; soaps.

List P-3 — Commodities which may be imported on time settlement up to 3 months, with no cash deposit required on application for an import approval: Oleaginous seeds and coconuts, varnishes and solvents.

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